

ORIGINAL

OPEN MEETING AGENDA ITEM



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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

COMMISSIONERS

2011 DEC -9 A 8:55

DOCKETED

DEC - 9 2011

GARY PIERCE - Chairman
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS

AZ CORP COMMISSION
DOCKET CONTROL

DOCKETED BY

IN THE MATTER OF THE APPLICATION OF
HARRISBURG UTILITY COMPANY, INC. FOR
APPROVAL OF A RATE INCREASE.

DOCKET NO. W-02169A-11-0238

PROCEDURAL ORDER

BY THE COMMISSION:

On June 10, 2011, Harrisburg Utility Company, Inc. (formerly Keaton Development Company, Inc.) ("Harrisburg") filed with the Arizona Corporation Commission ("Commission") an application for a permanent rate increase using a test year ("TY") ending December 31, 2010.

On July 11, 2011, the Commission's Utilities Division ("Staff") issued a Letter of Sufficiency stating that Harrisburg's application had met the sufficiency requirements outlined in Arizona Administrative Code ("A.A.C.") R14-2-103 and that Harrisburg has been classified as a Class D water utility.

On August 31 and September 16, 2011, Harrisburg filed revised application pages showing modifications in its proposed service charges.

On September 22, 2011, Staff filed a Motion for Extension of Time, requesting additional time to issue its Staff Report.

On September 23, 2011, a Procedural Order was issued extending the Staff Report deadline; requiring Harrisburg to send its customers revised notice correcting errors in its original notice and including its most recently proposed rates and charges; requiring Harrisburg to file an affidavit of service and a complete copy of the revised customer notice sent; and extending the time frame for the final order in this matter by 35 days.

On October 5, 2011, Harrisburg filed a document providing tariff language describing two new proposed miscellaneous service charges—a Door Hanger Fee and a Meter Reading Fee When Meter Has been Made Unavailable by the Customer.

1 On October 11, 2011, Staff filed a Request for an Extension of Time, requesting that the Staff
2 Report deadline be extended an additional week.

3 On October 13, 2011, Harrisburg filed an Affidavit stating that revised notice had been mailed
4 to its customers on October 10, 2011, but not including a copy of the notice sent.

5 On October 14, 2011, Staff issued its Staff Report.

6 On October 20, 2011, Harrisburg filed a copy of its revised customer notice, including
7 attachments, which conformed to the Procedural Order of September 23, 2011.

8 On November 9, 2011, a Recommended Order was issued in this case, with an exception
9 deadline of November 18, 2011, and tentative scheduling for consideration at the Open Meeting of
10 December 13 and 14, 2011.

11 On November 18, 2011, Harrisburg filed a Memorandum stating that it had not received a
12 copy of the Staff Report or the Recommended Order; requesting that Harrisburg's deadline for filing
13 comments be extended to December 20, 2011; and requesting that the matter be pulled from the Open
14 Meeting agenda for December 13 and 14, 2011. Harrisburg did not explain how it had become aware
15 of the Recommended Order, if it had not received the Recommended Order. Nor did Harrisburg
16 explain how, if at all, the contact information used by the Commission for Harrisburg was incorrect.

17 On December 7, 2011, Harrisburg filed a Memorandum responding to the Staff Report and
18 Recommended Order. Specifically, Harrisburg spoke to outside services expense, repairs and
19 maintenance expense, and Staff's calculation of revenue from water sales. Harrisburg requested that
20 the Commission reconsider Staff's recommendations and grant Harrisburg a \$2.00 per month
21 increase to the monthly minimum charge for a customer with a 5/8" x 3/4" meter.

22 A review of the Commission's records indicates that both the October 14, 2011, Staff Report
23 and the November 9, 2011, Recommended Order were mailed to Harrisburg's address maintained in
24 the Commission's records. It is not clear why Harrisburg would not have received the Staff Report or
25 the Recommended Order.¹ Harrisburg has not explained in either of its Memoranda why it would not
26 have received those items at the address used and has not provided an alternative mailing address.²

27 ¹ The Commission has no record of either of the items having been returned as undeliverable at that address.

28 ² Harrisburg's Memoranda were both sent on letterhead showing the same address as the Commission used to send the Staff Report and Recommended Order.

1 Because Harrisburg has raised several items of disagreement with the Staff Report and
2 Recommended Order in this matter, it is necessary and appropriate for Staff to make a filing
3 responding to those items of disagreement; providing any modifications to Staff's recommendations
4 that Staff believes appropriate in light of the items of disagreement; and indicating whether Staff
5 believes that a hearing should now be held in this matter. In addition, because Harrisburg has
6 asserted that it did not receive either the Staff Report or the Recommended Order in this matter, it is
7 necessary and appropriate to require Harrisburg to make a filing providing the Commission with any
8 corrections to its contact information.

9 IT IS THEREFORE ORDERED that **Staff shall, by January 9, 2012, file** a document (1)
10 responding to Harrisburg's assertion that it did not receive a copy of the Staff Report; (2) responding
11 to the items of disagreement set forth in Harrisburg's Memorandum of December 7, 2011; (3)
12 providing any modifications to Staff's recommendations that Staff believes appropriate; and (4)
13 indicating whether Staff believes that a hearing should now be held in this matter.

14 IT IS FURTHER ORDERED that **Harrisburg shall, by December 30, 2011, file** a document
15 providing any corrections to Harrisburg's contact information and indicating whether Harrisburg
16 believes that a hearing should now be held in this matter.

17 IT IS FURTHER ORDERED that **Staff and Harrisburg each shall file, by January 30,**
18 **2012, a response** to the filing made by the other party as required herein.

19 IT IS FURTHER ORDERED that the **time frame** for the Commission to issue a final order in
20 this matter is hereby **suspended indefinitely**.

21 IT IS FURTHER ORDERED that any motions filed in this matter that are not ruled upon by
22 the Commission within 20 calendar days of the filing date of the motion shall be deemed denied.

23 IT IS FURTHER ORDERED that any responses to motions shall be filed within five calendar
24 days of the filing date of the motion.

25 IT IS FURTHER ORDERED that any replies shall be filed within five calendar days of the
26 filing date of the response.

27 IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing/publication
28 of same, notwithstanding the failure of an individual to read or receive the notice.

1 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules
2 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to the practice of law and admission
3 *pro hac vice*.

4 IT IS FURTHER ORDERED that the time periods specified herein shall not be extended
5 pursuant to Rule 6(a) or (e) of the Rules of Civil Procedure.

6 IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend,
7 or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at
8 hearing.

9 DATED this 9th day of December, 2011.


11 
12 SARAH N. HARPRING
13 ADMINISTRATIVE LAW JUDGE

14 Copies of the foregoing mailed/delivered
15 this 9th day of December, 2011, to:

16 William S. Scott, President
17 HARRISBURG UTILITY COMPANY, INC.
18 P.O. Box 905
19 Salome, AZ 85348

20 Janice Alward, Chief Counsel
21 Legal Division
22 ARIZONA CORPORATION COMMISSION
23 1200 West Washington Street
24 Phoenix, AZ 85007

25 Steven M. Olea, Director
26 Utilities Division
27 ARIZONA CORPORATION COMMISSION
28 1200 W. Washington Street
Phoenix, AZ 85007

By: 
Debra Broyles
Secretary to Sarah N. Harpring